



The Business of Non-Profit Partners

Partners in Stewardship

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- Kathy Abbott, Commissioner, Massachusetts Department of Conservation and Recreation (former President, Island Alliance)
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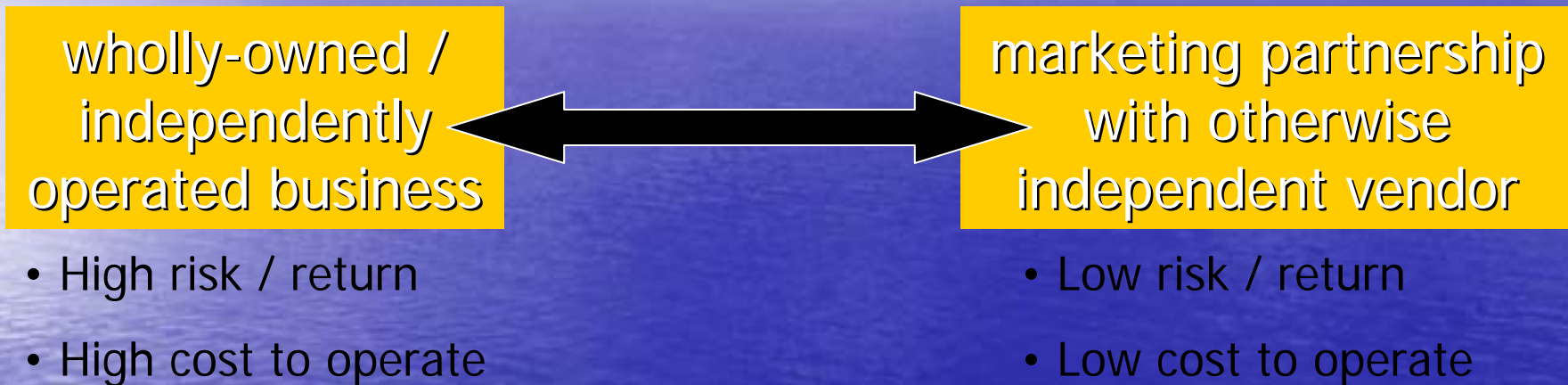
Many parks are turning to business ventures as possible revenue streams

- But it's not as simple as making a collective decision to go into business (which in itself may not be easy)
- It may be advisable to operate through a nonprofit organization
- It requires serious business analysis
- The business may not be a "silver bullet" for budget woes
- And it should be based on the park's interpretive messages in order to add real value to the park

Business concepts should start with the park's interpretive message

- Add value to the park (in addition to dollars) by enhancing the park visitor experience
 - increased access
 - enhanced education
 - and/or other amenities
- Leverage the park resource (without degrading it)
- Reflect the park mission
- And thereby avoid unrelated business income taxes (UBIT) for nonprofits

Business opportunities may take many forms



Business approach may consist of a single strong business to a portfolio of small business lines

- GGNRA has 2 core businesses
- Boston Harbor Islands National Park Area has 7 smaller lines of business

Golden Gate National Recreation Area



**GOLDEN GATE
NATIONAL
PARKS
CONSERVANCY**



One of the Largest, Most Popular Urban National Parks in the U.S.



- 75,500 acres
- 40 miles north and south of Golden Gate
- 17 million visitors annually
- Growing in size, popularity and complexity

Golden Gate National Parks Conservancy

Nonprofit Partner for the Parks



- Established: 1981
- Full-time staff: 175
- Volunteers: 10,000 annually
- Aid: More than \$70 million over two decades

Maximizing Our Contribution to the Parks

- Rely on organizational strengths
- Build from interpretive mission
- Emphasize sites of visitor interest
- Form program and service partnerships

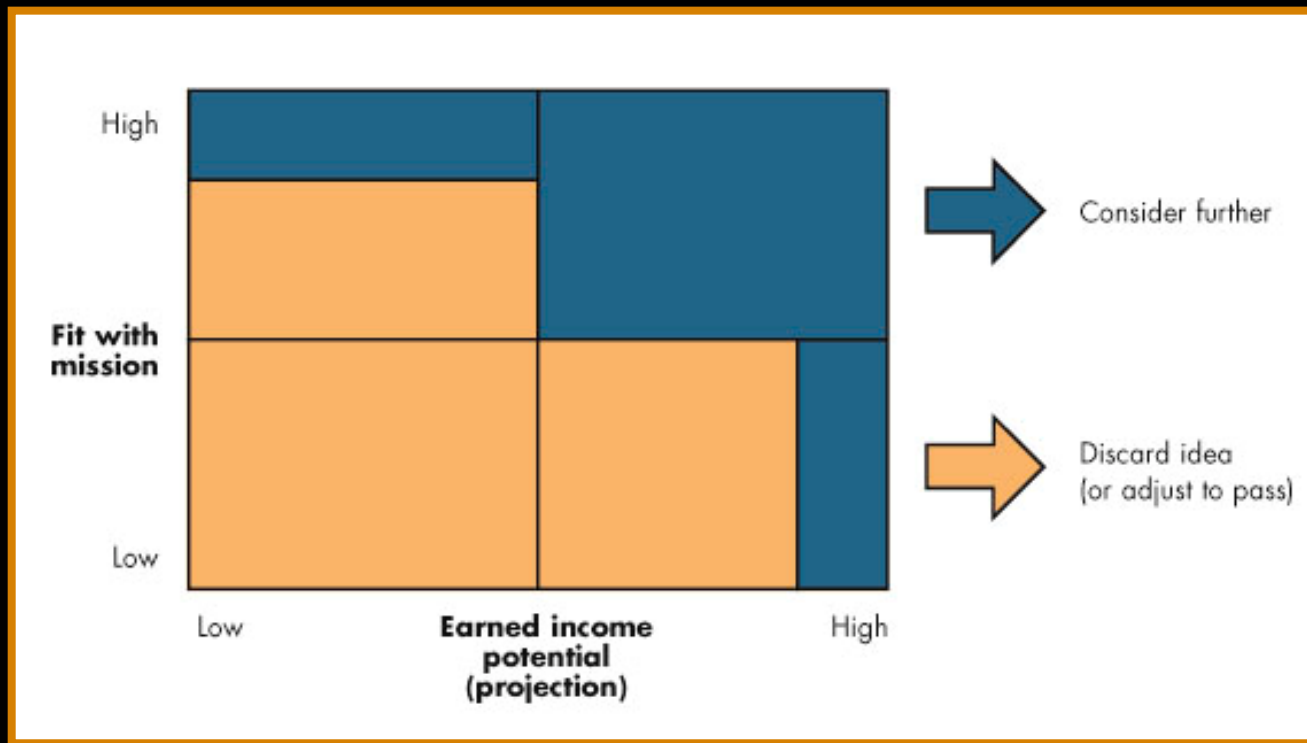




Developing Business Ventures

- Review existing and potential revenue streams
- Analyze mission fit and earned income potential
- Retain outside business expertise
- Engage board, donors and user groups
- Link to objectives of Long Range Plan

Analyzing Business Ventures



Business Lines

- Alcatraz and bay tours
- Retail and wholesale operations
- Summer camps
- Public programs
- Facility rentals



Partnerships and Alliances

Cost Effective Tools to Expand Reach

- Community organizations
- Educational groups
- Local marketing talent
- Tourism and service providers
- Cooperative agreements
- Federal grants



Crissy Field Center Community Heroes

Business Venture Case Study

Crissy Field Center

- Community environmental center
- Partnership of three organizations
- Programs for all ages
- Dedicated to community involvement



Crissy Field Center

Business Planning

- Boston Consulting Group retained on pro bono basis
- Contacted by participant of NPS/NPF Business Plan (summer 2001)
- Producing a plan for continued self-sufficiency
- Using for-profit business planning tools



Summary

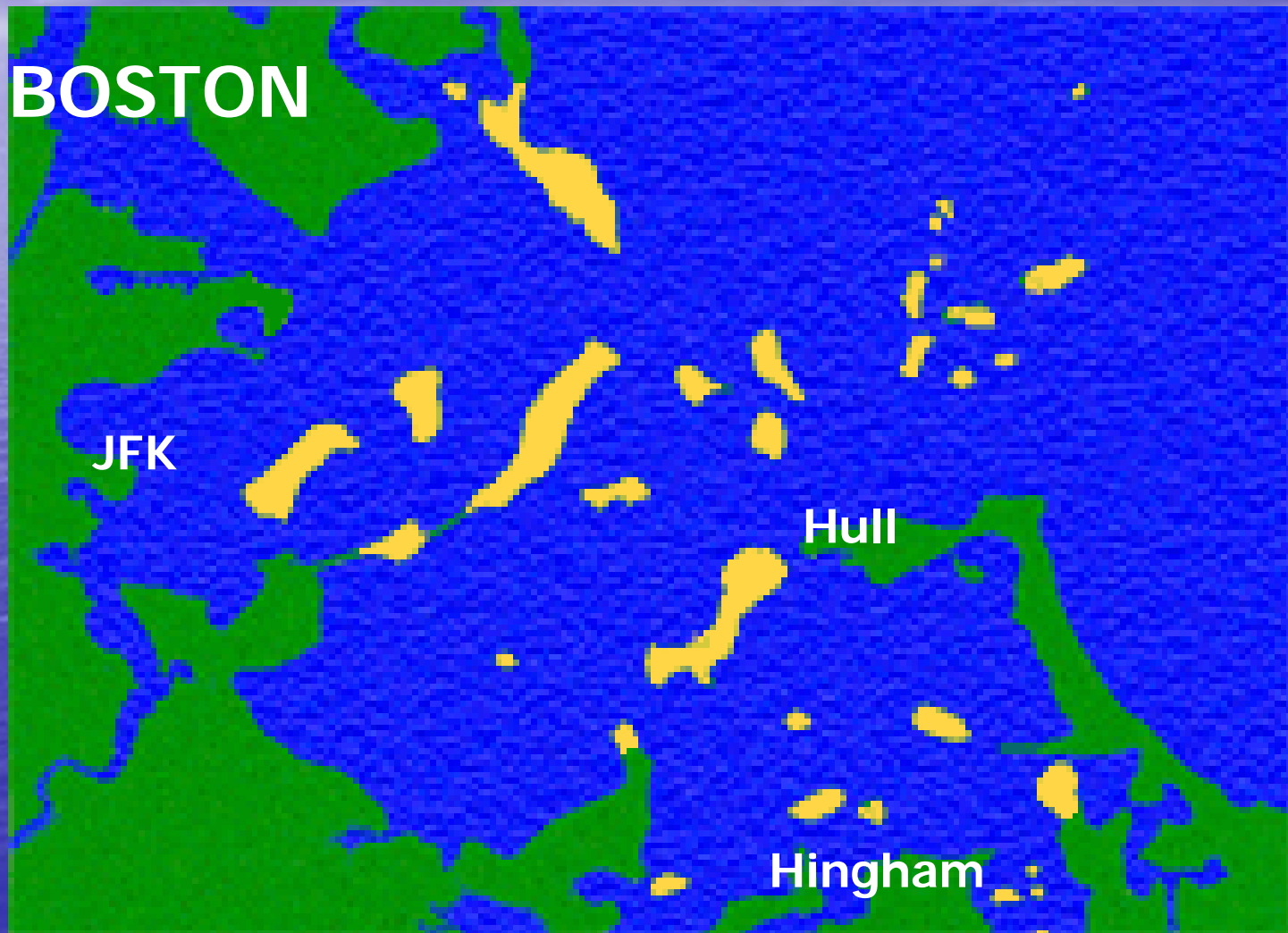


- Find a story that resonates with visitors
- Create opportunities to experience the story
- Develop business plan to maximize revenues
- Initiate an inspiring marketing program
- Continue to refine and adjust ventures

Boston Harbor Islands National Park Area



The Boston Harbor Islands consist of 34 islands within 10 miles of downtown Boston



The Island Alliance is specifically charged with generating revenues for the park



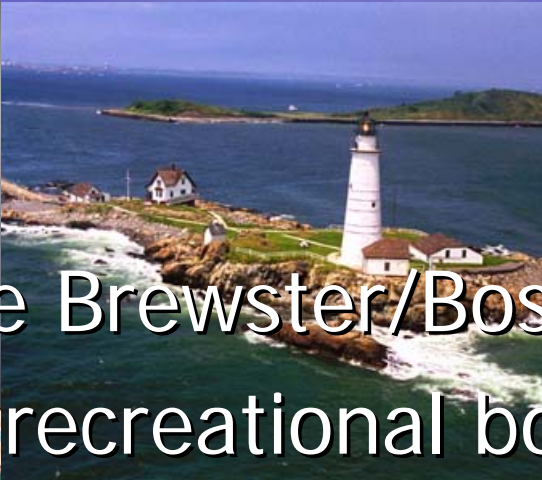
- Owing in part to the Conservancy's success, the Island Alliance was written into the Boston Harbor Islands enabling legislation in 1996
- In part because it owns none of the land, the NPS agreed to provide for only 25% of the revenues required to develop/operate the park
- ...the IA was charged with assisting state and local government island owners to raise funds from private sources

An Economic Development Plan advised us to pursue several businesses

- In 2001, the Island Alliance completed the first comprehensive economic development plan for a national park
- The plan explored the market for, and financial feasibility of, several revenue generating opportunities on the islands and at major gateways
- It found no “silver bullets”
- In many cases it recommended partnership-based approaches
- The economic development plan is the driving force behind many elements of the IA business strategy

We currently have 7 lines of business

- Retail (1999)
- Tours of Little Brewster/Boston Light (2000)
- Moorings for recreational boaters (2001)
- National Park Discovery Cruises (2002)
- Catering on Georges Island (2002)
- Scavenger hunts (2003)
- Kayak program (2003)



Partnership-based business ventures can work



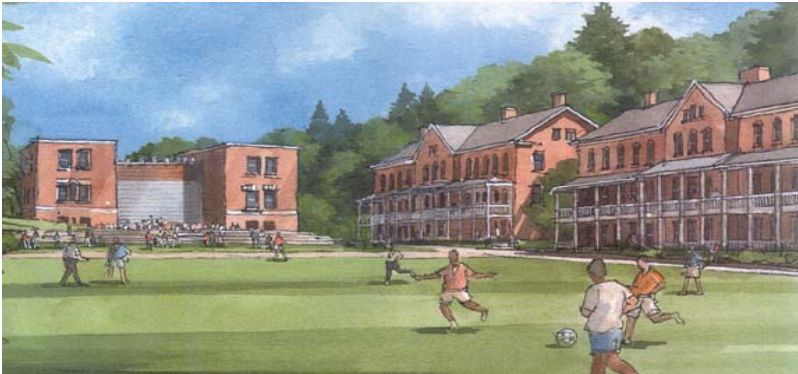
- All of our lines of business – except retail – involve partner organizations
- Tours of Little Brewster are the most extreme example with fully *nine* partner organizations involved*
- The basis for our partners' interest in cooperating varies, but all have found a stake in what we are doing
- Partnership-based businesses can be a valuable approach if you own few real assets

* The Island Alliance, National Park Service, University of Massachusetts, JFK Library, Friends of Boston Harbor Islands, US Coast Guard, USCG Auxiliary, Massport, and Moakley Courthouse.

Our businesses are small but important to the park

- Collectively they generated in 2003:
gross revenues = \$70k
net revenues = \$21k
- They also resulted in 7,000 visitors experiencing the park through the businesses (vs. 70k ferry riders)
- And most of these visits involved heavily interpretive experiences that would not have occurred otherwise

... And we are working on much larger ventures for the future



- Spectacle Island: 2004
 - Trails, pier/marina, beaches, and visitor center with retail, café, and catering potential
- Peddocks Island: 2006
 - Eco-retreat
 - Family camp
- ... Wind power?
 - Financial returns
 - Interpretive value of renewable energy

In short, businesses are closely related to the development of *both* parks

- They generate funds for the parks
- They support the parks' missions
- They reflect the parks' resources
- And they attract new visitors and provide them with valuable interpretive experiences

Q & A

